

**Hearing Statement  
Subcommittee on  
Financial Services and General Government  
Committee on Appropriations**

**FY'10 President's Budget Request for  
the Securities and Exchange Commission, and the  
Commodity Futures Trading Commission**

**Ranking Member Susan M. Collins  
June 2, 2009**

Good morning. At this first hearing of our subcommittee, I want to thank you, Chairman Durbin, for your leadership. This Subcommittee has jurisdiction over a diverse group of agencies, many of which have a profound impact on the financial stability of our economy and on the lives of most Americans. So it is an honor to serve with you as Ranking Member of this subcommittee, and I look forward to working cooperatively with you during this Congress.

Mr. Chairman, as we begin to consider the Fiscal Year 2010 budget requests for the SEC and the CFTC, I want to salute you for your leadership in securing significant increases for both these agencies during your chairmanship of this subcommittee. Thanks to your hard-fought efforts, the budget for the SEC is now 8.9 percent above the FY'07

funding level, and the budget for the CFTC is 49 percent above the FY'07 level. These increases were extremely important, given that both of these agencies had been woefully underfunded over the years.

Chairman Schapiro and Chairman Gensler: congratulations and thank you both for appearing before our subcommittee today. I look forward to hearing the details of your fiscal year 2010 budget requests and the key efforts that you plan to undertake this year. You both have crucial roles in our economy: SEC, by protecting the public through enforcement of securities laws, and CFTC, by protecting market users and the public from fraud, manipulation, and abusive practices related to the sale of commodity and financial futures and options.

Protecting investors is more compelling than ever since many first-time investors have turned to the markets to help secure their retirements, pay for homes, and send their children to college.

Our current economic crisis has left our markets in turmoil. The loss of trillions of dollars in value in these markets has

depleted family savings, shuttered small businesses, and damaged retirement and pensions funds.

Chairman Schapiro, I am troubled by reports that an environment of lax oversight and enforcement at the SEC was a contributing factor to the current financial crisis. For example, some investment banks were allowed to become over-extended, which led to the collapse of several of Wall Street's largest banks. The Bernard Madoff ponzi scheme went undetected for decades, resulting in 50 billion dollars in investor losses. So Madam Chairman, I am pleased that you have developed an ambitious agenda of management reforms for the Commission, and I am interested in hearing what resources you need to accomplish these reforms.

Chairman Schapiro and Chairman Gensler: you both have challenging tasks in front of you. You must improve transparency in our securities markets and uncover fraud and deception, while not over-regulating our markets and hindering our economic recovery. I look forward to working both of you, and with Chairman Durbin to ensure that you have the resources and the tools you need to

ensure investors are protected and that markets are functioning properly.

I look forward to your testimony and I thank you for your service to our Country.

Thank you, Mr. Chairman.